

**Subpart I—Operational Provisions****CONFLICTS OF INTEREST****§ 137.160 Are Self-Governance Tribes required to address potential conflicts of interest?**

Yes, self-Governance Tribes participating in self-governance under Title V must ensure that internal measures are in place to address conflicts of interest in the administration of self-governance PSFAs.

**AUDITS AND COST PRINCIPLES****§ 137.165 Are Self-Governance Tribes required to undertake annual audits?**

Yes, under the provisions of section 506(c) of the Act [25 U.S.C. 458aaa-5(c)], Self-Governance Tribes must undertake annual audits pursuant to the Single Audit Act, 31 U.S.C. 7501 *et seq.*

**§ 137.166 Are there exceptions to the annual audit requirements?**

Yes, the exceptions are described in 31 U.S.C. 7502 of the Single Audit Act.

**§ 137.167 What cost principles must a Self-Governance Tribe follow when participating in self-governance under Title V?**

A Self-Governance Tribe must apply the cost principles of the applicable OMB circular, except as modified by:

- (a) Section 106 (k) of the Act [25 U.S.C. 450j-1],
- (b) Other provisions of law, or
- (c) Any exemptions to applicable OMB circulars subsequently granted by the OMB.

**§ 137.168 May the Secretary require audit or accounting standards other than those specified in § 137.167?**

No, no other audit or accounting standards shall be required by the Secretary.

**§ 137.169 How much time does the Federal Government have to make a claim against a Self-Governance Tribe relating to any disallowance of costs, based on an audit conducted under § 137.165?**

Any right of action or other remedy (other than those relating to a criminal offense) relating to any disallow-

ance of costs is barred unless the Secretary provides notice of such a disallowance within 365 days from receiving any required annual agency single audit report or, for any period covered by law or regulation in force prior to enactment of the Single Agency Audit Act of 1984, any other required final audit report.

**§ 137.170 When does the 365 day period commence?**

For the purpose of determining the 365 day period, an audit report is deemed received on the date of actual receipt by the Secretary, at the address specified in § 137.172, if, within 60 days after receiving the audit report, the Secretary does not give notice of a determination by the Secretary to reject the single-agency audit report as insufficient due to non-compliance with chapter 75 of title 31, United States Code or noncompliance with any other applicable law.

**§ 137.171 Where do Self-Governance Tribes send their audit reports?**

(a) For fiscal years ending on or before June 30, 1996, the audit report must be sent to: National External Audit Review Center, Lucas Place Room 514, 323 W. 8th St., Kansas City, MO 64105.

(b) For fiscal years, beginning after June 30, 1996, the audit report must be sent to: Single Audit Clearinghouse, 1201 E. 10th St., Jeffersonville, IN 47132.

**§ 137.172 Should the audit report be sent anywhere else to ensure receipt by the Secretary?**

Yes, the Self-Governance Tribe should also send the audit report to: National External Audit Review Center, Lucas Place Room 514, 323 W. 8th St., Kansas City, MO 64105.

**§ 137.173 Does a Self-Governance Tribe have a right of appeal from a disallowance?**

Yes, the notice must set forth the right of appeal and hearing to the Interior Board of Contract Appeals, pursuant to section 110 of the Act [25 U.S.C. 450m-1].